

the terms of that license. Such reexports shall be recorded in the same manner as exports are recorded, regardless of whether the license is partially or wholly used for reexport purposes. (See part 762 of the EAR for recordkeeping requirements.)

(d) Reexports of any item from Canada that, at the time of reexport, may be exported directly from the United States to the new country of destination under any License Exception.

(e) Reexports (return) to the United States of any item. If the reexporting party requests written authorization because the government of the country from which the reexport will take place requires formal U.S. Government approval, such authorization will generally be given.

(f) Reexports from a foreign destination to Canada of any item if the item could be exported to Canada without a license.

(g) Reexports between Switzerland and Liechtenstein.

(h) Shipments of foreign-made products that incorporate U.S.-origin components may be accompanied by U.S.-origin controlled spare parts, provided that they do not exceed 10 percent of the value of the foreign-made product, subject to the restrictions in § 734.4 of the EAR.

(i) Reexports to Sudan of items controlled by ECCNs 2A994; 3A992.a; 5A991.f; 5A992; 6A991; 6A998; 7A994; 8A992.d, .e, .f, and .g; 9A990.a and .b; and 9A991.d and .e. In addition, items in these ECCNs are not counted as controlled U.S. content for purposes of determining license requirements for U.S. parts, components, and materials incorporated in foreign-made products. However, the export from the United States to any destination with knowledge that they will be reexported directly or indirectly, in whole or in part to Sudan is prohibited without a license.

(j) Reexports of items controlled by NP Column 1 (see Supplement No. 1 to part 774 of the EAR) to, among, and from countries described in Country Group A:4 (see Supplement No. 1 to part 740), except:

(1) Reexports from countries that are not identified in Country Group A:1 of items that are controlled for NS rea-

sons to destinations in Country Group D:1; and

(2) Reexports to destinations in Country Group E:2 and Country Group D:2.

[61 FR 12768, Mar. 25, 1996. Redesignated at 61 FR 64274, Dec. 4, 1996. Redesignated at 61 FR 68579, Dec. 30, 1996, and amended at 62 FR 25458, May 9, 1997; 63 FR 42228, Aug. 7, 1998]

§ 740.17 Encryption commodities and software (ENC).

(a) *Exports and reexports of encryption commodities and software to all destinations except Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria.*

(1) *Financial-specific encryption commodities and software of any key length.*

(i) *Scope.* You may export and reexport financial-specific encryption commodities and software (which are not eligible under the provisions of License Exception TSU for mass market software such as SET or similar protocols) of any key length that are restricted by design (e.g., highly field-formatted with validation procedures, and not easily diverted to other end-uses) for financial applications to secure financial communications/transactions for end-uses such as financial transfers, or electronic commerce.

(ii) *Eligible commodities and software.* Encryption commodities and software of any key length classified under ECCNs 5A002 and 5D002 after a technical review (see paragraph (c) of this section). These commodities and software must be specifically designed and limited for use in the processing of electronic financial (commerce) transactions, which implements cryptography in specifically delineated fields such as merchant's identification, the customer's identification and address, the merchandise purchased and the payment mechanism. It does not allow for encryption of data, text or other media except as directly related to these elements of the electronic transaction to support financial communications/transactions. Notwithstanding the provisions of paragraph (c)(2) of this section, financial-specific commodities and software that were made eligible for License Exception KMI

after a technical review prior to December 31, 1998, are now eligible for export and reexport under License Exception ENC under the provisions of this paragraph (a)(1).

(iii) *Eligible destinations.* Upon approval of your classification request, you may export and reexport under License Exception ENC financial-specific encryption commodities and software, as defined in this paragraph (a)(1), of any key length to all destinations except Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria.

(iv) *Reporting requirements.* There are no reporting requirements.

(2) *Encryption commodities and software of any key length for U.S. subsidiaries.* (i) *Scope.* You may export and reexport encryption commodities and software of any key length under License Exception ENC to U.S. subsidiaries (as defined in part 772 of the EAR) subject to the conditions of this paragraph (a)(2). Note that distributors, resellers or other entities that are not manufacturers of the encryption commodities and software are permitted to use License Exception ENC for U.S. subsidiaries only in instances where the export or reexport meets the terms and conditions of this paragraph (a)(2).

(ii) *Eligible commodities and software.* Encryption commodities, software and technology of any key length classified under ECCNs 5A002, 5D002 and 5E002 after a technical review (see paragraph (c) of this section). This includes encryption chips, integrated circuits, toolkits, executable or linkable modules, source code and technology to U.S. subsidiaries for internal company proprietary use, including the development of new products.

(iii) *Eligible destinations; retransfers.* You may export and reexport under License Exception ENC encryption commodities, software and technology of any key length to U.S. subsidiaries for internal company proprietary use, including the development of new products, in all destinations except Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria. All items developed using U.S. encryption commodities, software and technology are subject to the EAR. For exports and reexports to strategic partners of U.S. companies (as defined in part 772) see § 742.15(b)(8) of the EAR.

Retransfers to other end-users or end-users are prohibited without prior authorization.

(iv) *Reporting requirements.* There are no reporting requirements.

(3) *Encryption commodities, including mass market and non-mass market, and non-mass market encryption software incorporating symmetric algorithms with key lengths up to and including 56-bits, such as DES or equivalent.* (i) *Scope.* You may export and reexport encryption commodities, including mass market and non-mass market commodities, and non-mass market software with key lengths up to and including 56-bits, such as DES or equivalent, under License Exception ENC subject to the conditions of this paragraph (a)(3). For information concerning the technical review of encryption mass market commodities and mass market software refer to § 742.15(b)(1) of the EAR. Note that encryption mass market software remains eligible under License Exception TSU.

(ii) *Eligible commodities and software.* (A) Mass market and non-mass market encryption commodities and non-mass market software having symmetric algorithms with key lengths up to and including 56-bits, such as DES or equivalent (such as RC2, RC4, RC5, and CAST) which are classified as a result of a technical review (see paragraph (c) of this section). The commodity or software must not allow the alteration of the cryptographic functionality by the user or any other program. Encryption chips, integrated circuits, toolkits and executable or linkable modules are not authorized for export under the provisions of paragraph (a)(3).

(B)(1) For mass market and non-mass market encryption commodities and non-mass market encryption software, exporters of 40-bit or less encryption commodities and software which have been made eligible for License Exception KMI or License Exception TSU or have been licensed for export under an Encryption Licensing Arrangement or a license prior to December 31, 1998, will be permitted to export and reexport these commodities and software

under license exception ENC with increased key lengths up to and including 56-bits for the confidentiality algorithm, with key exchange mechanisms including symmetric algorithms with the same or double key length authorized for the confidentiality algorithm, and asymmetric algorithms for key exchange with key space of 512, 768 or up to and including 1024 bits without an additional technical review, provided that there is no other change in cryptographic functionality. Exporters must certify to BXA that the only change to the encryption is the increase in the key length for the confidentiality algorithm, the asymmetric or symmetric key exchange algorithms and that there is no other change in cryptographic functionality. Such certifications must be in the form of a letter from senior corporate management and include the original authorization number issued by BXA, the date of issuance and the information identified in paragraphs (a)(2) (iii) through (v) of Supplement No. 6 to part 742 of the EAR. (If this information was submitted previously, then only identify the modifications.) BXA must receive such certification by March 31, 1999, and prior to any export of such upgraded product.

(2) The certification should be sent to:

Office of Strategic Trade and Foreign Policy Controls, Bureau of Export Administration, Department of Commerce, 14th Street and Pennsylvania Ave., NW., Room 2705, Washington, DC 20230, Attn: Encryption Upgrade

(3) A copy of the certification should be sent to:

Attn: ENC Encryption Request Coordinator, P.O. Box 246, Annapolis Junction, MD 20701-0246

(C) After March 31, 1999, any increase (upgrade) in the confidentiality algorithm and the key exchange algorithm must be reviewed by BXA through a classification request (see § 748.3 of the EAR). In Block 9 of form BXA-748P, indicate "Key Length Upgrade."

(iii) *Eligible destinations.* License Exception ENC is available for exports and reexports of encryption commodities and software with key length up to and including 56-bits, such as DES

or equivalent to all destinations except Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria.

(iv) *Reporting requirements.* See paragraph (d) of this section for reporting requirements.

(b) *Exports and reexports of certain encryption commodities and software to countries listed in Supplement No. 3 to part 740 of the EAR.* (1) *General purpose encryption commodities and software of any key length for use by banks/financial institutions.* (i) *Scope.* You may export and reexport general purpose, non-voice encryption commodities and software of any key length to banks and financial institutions (as defined in part 772 of the EAR) in specified destinations, subject to the conditions of this paragraph (b)(1). Note that distributors, resellers or other entities who are not manufacturers of the encryption commodities and software are permitted to use License Exception ENC for banks and financial institutions only in instances where the export or reexport meets the terms and conditions of this paragraph (b)(1).

(ii) *Eligible commodities and software.* General purpose, non-voice encryption commodities and software of any key length classified under ECCNs 5A002 and 5D002 after a technical review (see paragraph (c) of this section). Note that software and commodities that have already been approved under an Encryption Licensing Arrangement to banks and financial institutions in specified countries may now be exported or reexported to other banks and financial institutions in those countries under the same Encryption Licensing Arrangement.

(iii) *Eligible destinations; retransfers.* Upon approval of your classification request, you may export and reexport under License Exception ENC general purpose, non-voice encryption commodities and software, as defined in this paragraph (b)(1), of any key length to banks and financial institutions in all destinations listed in Supplement No. 3 to this part and to branches of such banks and financial institutions wherever established, except Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria. End-use is limited to secure business financial communications or

transactions and financial communications/transactions between the bank and/or financial institution and its customers. No customer to customer communications or transactions are allowed. Retransfers to other end-users or end-uses are prohibited without prior authorization.

(iv) *Reporting requirements.* There are no reporting requirements.

(2) *Health and medical end-users.* (i) *Scope.* You may export and reexport encryption commodities and software of any key length under License Exception ENC to health and medical end-users (as defined in part 772 of the EAR) in specified destinations, subject to the conditions of this paragraph (b)(2). Note that distributors, resellers or other entities who are not manufacturers of the encryption commodities and software are permitted to use License Exception ENC for health and medical end-users only in instances where the export or reexport meets the terms and conditions of this paragraph (b)(2).

(ii) *Eligible commodities and software.* Encryption commodities and software of any key length classified under ECCNs 5A002 and 5D002 after a technical review (see paragraph (c) of this section).

(iii) *Eligible destinations; retransfers.* You may export and reexport under License Exception ENC encryption commodities and software of any key length to health and medical end-users in all destinations listed in Supplement No. 3 to this part. Non-U.S. biochemical and pharmaceutical manufacturers, and non-U.S. military health and medical entities are not eligible to receive encryption commodities and software under License Exception ENC (see § 742.15 of the EAR for licensing information on these end-users, as well as additional countries). End-use is limited to securing health and medical transactions to health and medical end-users. No customer to customer communications or transactions are allowed. Retransfers to other end-users or end-uses are prohibited without prior authorization.

(iv) *Reporting requirements.* See paragraph (d) of this section for reporting requirements for exports under this License Exception.

(3) *Encryption commodities and software of any key length for on-line merchants.* (i) *Scope.* You may export and reexport encryption commodities and software of any key length under License Exception ENC to on-line merchants (as defined in part 772 of the EAR) in specified destinations, subject to the conditions of this paragraph (b)(3). End-use is limited to: the purchase or sale of goods and software; and services connected with the purchase or sale of goods and software including interactions between purchasers and sellers necessary for ordering, payment and delivery of goods and software. No other end-uses or customer to customer communications or transactions are allowed. Foreign on-line merchants or their separate business units (as defined in part 772 of the EAR) who are engaged in the manufacturing and distribution of items or services controlled on the U.S. Munitions List are excluded. Foreign government end-users are also excluded from this License Exception. Note that distributors, resellers or other entities who are not manufacturers of the encryption commodities and software are permitted to use License Exception ENC for on-line merchants only in instances where the export or reexport meets the terms and conditions of this paragraph (b)(3).

(ii) *Eligible commodities and software.* Encryption commodities and software of any key length classified under ECCNs 5A002 and 5D002 after a technical review (see paragraph (c) of this section). Such commodities and software must be limited to client-server applications (e.g. Secure Socket Layer (SSL) based applications) or applications specially designed for on-line transactions for the purchase or sale of goods and software; and services connected with the purchase or sale of goods and software, including interactions between purchasers and sellers necessary for ordering, payment and delivery of goods and software. Notwithstanding the provisions of paragraph (c)(2) of this section, commodities and software that were eligible for export to on-line merchants under an Encryption Licensing Arrangement or license prior to December 31, 1998, are now eligible for export and reexport

under License Exception ENC under the provisions of this paragraph (b)(3).

(iii) *Eligible destinations; retransfers.* You may export and reexport encryption commodities and software under License Exception ENC to on-line merchants in all destinations listed in Supplement No. 3 to this part, except to foreign on-line merchants or their separate business units who are engaged in the manufacturing and distribution of items or services controlled on the U.S. Munitions List. Retransfers to other end-users or end-uses are prohibited without prior authorization.

(iv) *Reporting requirements.* See paragraph (d) of this section for reporting requirements for exports under this License Exception.

(c) *Technical review to determine eligibility for License Exception ENC.* (1) You may initiate a technical review required by paragraph (a) or (b) of this section by submitting a classification request for your product in accordance with the provisions of § 748.3(b) of the EAR. Indicate "License Exception ENC" in Block 9: Special purpose, on form BXA-748P. Submit the original request to BXA in accordance with § 748.3 of the EAR and send a copy of the request to:

Attn: ENC Encryption Request Coordinator,
P.O. Box 246, Annapolis Junction, MD
20701-0246

(2) Commodities and software that have been made eligible for License Exception TSU or KMI or which have been approved for export under an Encryption Licensing Arrangement or a license prior to December 31, 1998 are eligible for export and reexport under all paragraphs of License Exception ENC, except paragraphs (a)(1) and (b)(3) of this section, without an additional technical review, provided that the export or reexport meets all the terms and conditions of this License Exception. For all other commodities and software, a technical review will determine eligibility for License Exception ENC by reviewing the confidentiality algorithm, key space, and key exchange mechanism.

(3) For export and reexport of encryption commodities and software under paragraph (a)(3) of this section, examples of eligible key exchange

mechanisms include, but are not limited to, symmetric algorithms with the same or double the key length authorized for the confidentiality algorithm, asymmetric algorithms with key space of 512, 768 or up to and including 1024 bits, proprietary key exchange mechanisms, or others.

(4) For export and reexport of encryption commodities and software under paragraph (b)(3) of the License Exception ENC, exporters, in order to expedite review of the classification, should submit, as applicable, the following types of information to support the classification request:

(i) Information describing how the product is limited to a client-server application or application specially designed or tailored to the conditions outlined in the License Exception;

(ii) Information describing the end-user environment to which the application will be limited;

(iii) Information explaining how the product will not permit customer-to-customer communications or transactions above 56-bits;

(iv) Information on the process by which the merchant(s) or application will limit access to authorized users; or

(v) Details of the encryption system, including how it is limited to the application or cannot be diverted to other end-uses.

(d) *Reporting requirements.* (1) You must provide to BXA the names and addresses for exports to the following end-users:

(i) All military and government end-users for non-mass market commodities and non-mass market software exports authorized under paragraph (a)(3) of this section;

(ii) All health and medical end-users for exports authorized under paragraph (b)(2) of this section, and

(iii) All foreign on-line merchants for exports authorized under paragraph (b)(3) of this section.

(2) You must submit reports no later than February 1 and no later than August 1 of any given year. Specifically, the report must identify the end-user name and address and country of ultimate destination, as well as the classification or other authorization number. Send the report to the following address:

Bureau of Export Administration, Commerce

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Office of Strategic Trade and Foreign Policy
Controls, Bureau of Export Administration,
Department of Commerce, 14th Street
and Pennsylvania Ave., N.W., Room 2705,

Washington, D.C. 20230, Attn: Encryption
Reports

[63 FR 72159, Dec. 31, 1998]

Supplement No. 1 to Part 740

COUNTRY GROUP A

Country		Missile technology control regime	Australia group	Nuclear suppliers group
	[A:1]	[A:2]	[A:3]	[A:4]
Argentina		X	X	X
Australia	X	X	X	X
Austria ¹		X	X	X
Belgium	X	X	X	X
Brazil		X		
Bulgaria				X
Canada	X	X	X	X
Czech Republic			X	X
Denmark	X	X	X	X
Finland ¹		X	X	X
France	X	X	X	X
Germany	X	X	X	X
Greece	X	X	X	X
Hong Kong ¹				
Hungary		X	X	X
Iceland		X	X	
Ireland ¹		X	X	X
Italy	X	X	X	X
Japan	X	X	X	X
Korea, South ¹			X	X
Luxembourg	X	X	X	X
Netherlands	X	X	X	X
New Zealand ¹		X	X	X
Norway	X	X	X	X
Poland			X	X
Portugal	X	X	X	X
Romania			X	X
Russia		X		X
Slovakia			X	X
South Africa		X		X
Spain	X	X	X	X
Sweden ¹		X	X	X
Switzerland ¹		X	X	X
Turkey	X			
United Kingdom	X	X	X	X
United States	X	X	X	X

¹ Cooperating Countries.

Country Group B**Countries**

Afghanistan	Greece	Palau
Algeria	Grenada	Panama
Andorra	Guatemala	Papua New Guinea
Angola	Guinea	Paraguay
Antigua	Guinea-Bissau	Peru
Argentina	Guyana	Philippines
Australia	Haiti	Poland
Austria	Honduras	Portugal
Bahamas	Hong Kong	Qatar
Bahrain	Hungary	Rwanda
Bangladesh	Iceland	Saint Kitts & Nevis
Barbados	India	Saint Lucia
Barbuda	Indonesia	Saint Vincent
Belgium	Ireland	San Marino
Belize	Israel	Sao Tome & Principe
Benin	Italy	Saudi Arabia
Bhutan	Jamaica	Senegal
Bolivia	Japan	Serbia and Montenegro
Bosnia & Herzegovina	Jordan	Seychelles
Botswana	Kenya	Sierra Leone
Brazil	Kiribati	Singapore
Brunei	Korea, South	Slovakia
Burkina Faso	Kuwait	Slovenia
Burma	Lebanon	Solomon Islands
Burundi	Lesotho	Somalia
Cameroon	Liberia	South Africa
Canada	Liechtenstein	Spain
Cape Verde	Luxembourg	Sri Lanka
Central African Republic	Macedonia, the Former	Surinam
Chad	Yugoslav Republic of	Swaziland
Chile	Madagascar	Sweden
Colombia	Malawi	Switzerland
Comoros	Malaysia	Taiwan
Congo	Maldives	Tanzania
Costa Rica	Mali	Thailand
Cote d'Ivoire	Malta	Togo
Croatia	Marshall Islands	Tonga
Cyprus	Mauritania	Trinidad & Tobago
Czech Republic	Mauritius	Tunisia
Denmark	Mexico	Turkey
Djibouti	Micronesia, Federated	Tuvalu
Dominica	States of	Uganda
Dominican Republic	Monaco	United Arab Emirates
Ecuador	Morocco	United Kingdom
Egypt	Mozambique	United States
El Salvador	Namibia	Uruguay
Equatorial Guinea	Nauru	Vanuatu
Eritrea	Nepal	Vatican City
Ethiopia	Netherlands	Venezuela
Fiji	New Zealand	Western Sahara
Finland	Nicaragua	Western Samoa
France	Niger	Yemen
Gabon	Nigeria	Zaire
Gambia, The	Norway	Zambia
Germany	Oman	Zimbabwe
Ghana	Pakistan	

Supplement No. 1 to Part 740**Country Group C****[Reserved]**

• COUNTRY GROUP D

Country	[D: 1] National Security	[D: 2] Nuclear	[D: 3] Chemical & Biological	[D: 4] Missile Technology
Afghanistan			X	
Albania	X			
Algeria				
Andorra				
Angola				
Armenia	X		X	
Azerbaijan	X		X	
Bahrain			X	X
Belarus	X		X	
Bulgaria	X		X	
Burma			X	
Cambodia	X			
China (PRC)	X		X	X ¹
Comoros				
Cuba		X	X	
Djibouti				
Egypt			X	X
Estonia	X			
Georgia	X		X	
India		X	X	X ¹
Iran		X	X	X ¹
Iraq		X	X	X
Israel		X	X	X
Jordan			X	X
Kazakhstan	X		X	
Korea, North		X	X	X ¹
Kuwait			X	X
Kyrgyzstan	X		X	
Laos	X			
Latvia	X			
Lebanon			X	X
Libya		X	X	X
Lithuania	X			
Micronesia, Federated States of				
Moldova	X		X	
Mongolia	X		X	
Oman			X	X
Pakistan		X	X	X ¹
Qatar			X	X
Romania	X			
Russia	X		X	
Saudi Arabia			X	X
Syria			X	X
Taiwan			X	
Tajikistan	X		X	
Turkmenistan	X		X	
Ukraine	X		X	
United Arab Emirates			X	X
Uzbekistan	X		X	
Vanuatu				
Vietnam	X		X	
Yemen			X	X

¹ Certain Missile Technology projects have been identified in the following countries:
China—M Series Missiles CSS-2.
India—Agni, Prithvi, SLV-3 Satellite Launch Vehicle, Augmented Satellite Launch Vehicle (ASLV), Polar Satellite Launch Vehicle (PSLV), Geostationary Satellite Launch Vehicle (GSLV).

Iran—Surface-to-Surface Missile Project, Scud Development Project.
 Korea, North—No Dong I, Scud Development Project.
 Pakistan—Half Series Missiles.

COUNTRY GROUP E

Country	[E-1] UN embargo	[E-2] uni- lateral embargo
Angola	X
Cuba	X
Iraq	X
Korea, North	X
Libya	X	X
Rwanda	X
Serbia & Montenegro	X

[61 FR 12768, Mar. 25, 1996, as amended at 62 FR 6686, Feb. 12, 1997; 62 FR 25458, May 9, 1997; 62 FR 42048, Aug. 5, 1997; 63 FR 37769, July 14, 1998]

SUPPLEMENT NO. 2 TO PART 740—ITEMS
 THAT MAY BE DONATED TO MEET
 BASIC HUMAN NEEDS UNDER THE HU-
 MANITARIAN LICENSE EXCEPTION

(a) *Health*

Equipment for the Handicapped
 Hospital Supplies and Equipment
 Laboratory Supplies and Equipment
 Medical Supplies and Devices
 Medicine-Processing Equipment
 Medicines
 Vitamins
 Water Resources Equipment
 Food
 Agricultural Materials and Machinery Suit-
 ed to Small-Scale Farming Operations
 Agricultural Research and Testing Equip-
 ment
 Fertilizers
 Fishing Equipment and Supplies Suited to
 Small-Scale Fishing Operations

(b) *Food*

Insecticides
 Pesticides
 Seeds
 Small-Scale Irrigation Equipment
 Veterinary Medicines and Supplies

(c) *Clothes and Household Goods*

Bedding
 Clothes
 Cooking Utensils
 Fabric
 Personal Hygiene Items
 Soap-Making Equipment
 Weaving and Sewing Equipment

(d) *Shelter*

Building Materials
 Hand Tools

(e) *Education*

Books
 Individual School Supplies
 School Furniture
 Special Education Supplies and Equipment
 for the Handicapped

(f) *Basic Support Equipment and Supplies
 Necessary To Operate and Administer the Dona-
 tive Program*

Audio-Visual Aids for Training

Generators

Office Supplies and Equipment

SUPPLEMENT NO. 3 TO PART 740—COUN-
 TRIES ELIGIBLE TO RECEIVE GEN-
 ERAL PURPOSE ENCRYPTION COM-
 MODITIES AND SOFTWARE

Anguilla*	Italy**
Antigua*	Japan**
Argentina*	Kenya*
Aruba*	Luxembourg**
Austria**	Monaco*
Australia**	The Netherlands**
Bahamas*	New Zealand**
Barbados*	Norway**
Belgium**	Poland*
Brazil*	Portugal**
Canada**	St. Kitts & Nevis*
Croatia	St. Vincent/ Grenadines*
Czech Republic*	Seychelles*
Denmark**	Singapore
Dominica*	Spain**
Ecuador*	Sweden**
Finland**	Switzerland**
France **	Trinidad & Tobago*
Germany**	Turkey*
Greece*	Uruguay*
Hong Kong	United Kingdom**
Hungary*	United States**
Iceland**	
Ireland**	

*Commercial entities and their branches located in these countries or any country listed in this Supplement and designated with one or two asterisks are eligible to receive "recoverable" encryption commodities and software of any key length for internal company proprietary use. See §742.15(b)(7) of the EAR.

**Commercial entities headquartered in these countries and their branches wherever located (except Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria) are eligible to receive "recoverable" encryption commodities and software of any key length for internal company proprietary use. See §742.15(b)(7) of the EAR.

[63 FR 72162, Dec. 31, 1998]

PART 742—CONTROL POLICY—CCL
 BASED CONTROLS

Sec.
 742.1 Introduction.